

HOUSING NOW

Kelowna CMA



Canada Mortgage and Housing Corporation

Date Released: April 2008

Housing Starts Reach Record First Quarter High

Kelowna's new home construction market began 2008 on a strong note. First quarter housing starts, led by the multi-family sector, more than doubled over the same three month period last year.

This year's surge in multi-family construction has pushed housing starts to the highest first quarter

level ever. Price and lifestyle are the key drivers. Resort housing and second residences have become the fastest growing segments of Kelowna's condominium market. Retirees remain a big source of condominium demand. Also, with few detached units available for less than \$400,000, more first-time buyers have turned to higher density housing.

Though condominium starts are up sharply, both absorptions and pre-sales have begun to moderate.

Figure 1

Housing Starts - Kelowna CMA 1997 - 2008

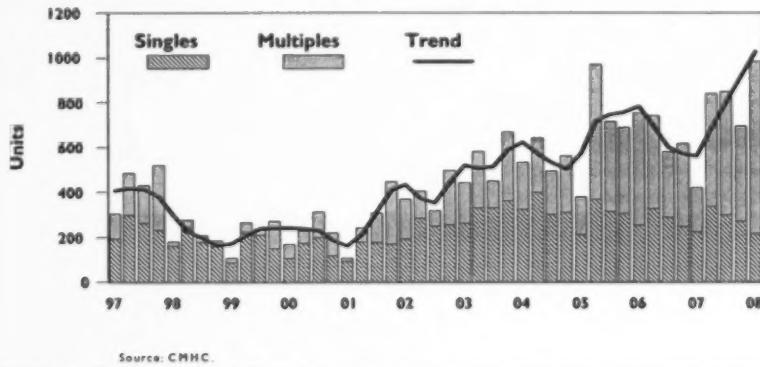


Table of contents

- 1 New Home Market
- 2 Resale Market
- 3 Map: Kelowna C.M.A
- 4 Tables 1 - 4 New Home Market
- 14 Table 5: MLS Activity
- 15 Table 6: Economic Indicators
- 16 Methodology and Definitions
- 18 Information and Subscriptions

SUBSCRIBE NOW!

Access CMHC's Market Analysis Centre publications quickly and conveniently on the Order Desk at www.cmhc.ca/housingmarketinformation. View print, download or subscribe to get market information e-mailed to you on the day it is released. New! CMHC's electronic suite of national standardized products is now available for free.

Canada

Demand is weakening as consumer confidence declines in the wake of slower economic and employment growth. Rising costs together with strong competition from an increasingly well supplied resale market and growing number of resort developments elsewhere in BC, have taken a bite out of new condominium sales. With the Canadian dollar hovering at par, BC re-sorts are also facing stronger competition from US resort markets. Alberta buyers may be less active in 2008.

The inventory of complete and unoccupied condominium units, while low, does not include units made available for resale through the assignment of contracts. Many assignments are now listed for sale, driving up the supply of active listings.

Condominium starts will reach record highs this year, despite a much more competitive market. Condominium projects scheduled to begin construction in 2008, have been moving through the pre-development process for up to two years. Some projects were substantially pre sold in 2007, when Kelowna's condominium market was experiencing stronger growth in demand.

First quarter starts of detached units were on par with last year. Move-up and move-down buyers have remained the focus of new singles demand. Rising land and other costs and longer build times have continued to push up new home prices.

The demand outlook, though less robust than last year, remains positive.

Existing Home Sales Down in 2008

Existing homes sales have dropped back sharply in 2008. First quarter sales of detached units were down 21 per cent from last year. Both townhouses and apartment condominiums recorded a smaller drop in sales activity. Like the new home sector, sales have declined in response to moderating demand.

The supply of active singles listings has jumped to a seven year high. Reduced demand and high levels of construction activity have contributed to increased supply. Big gains in home equity have also drawn more sellers into the marketplace. The supply of active condominium listings rose to the highest level ever in March, supply more than doubling from a year ago.

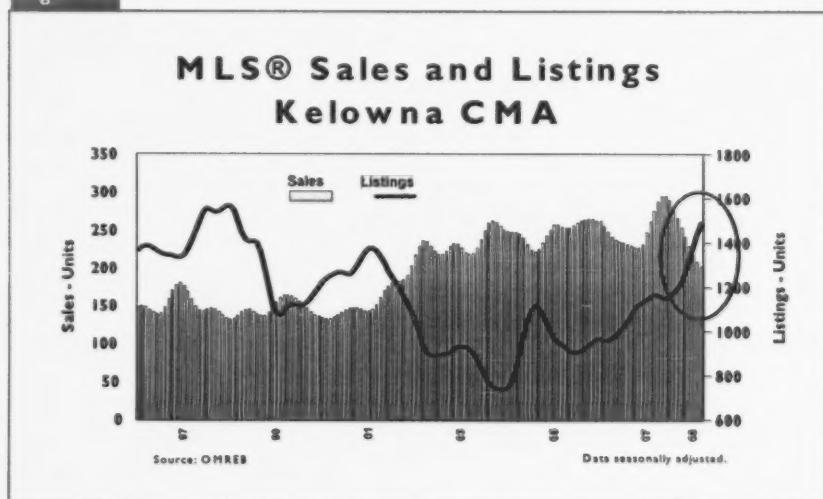
Buyers with equity from previous homes account for the lion's share of singles demand. First-time buyer demand for detached units has dropped off in the face soaring prices. Higher density housing has now become more widely accepted

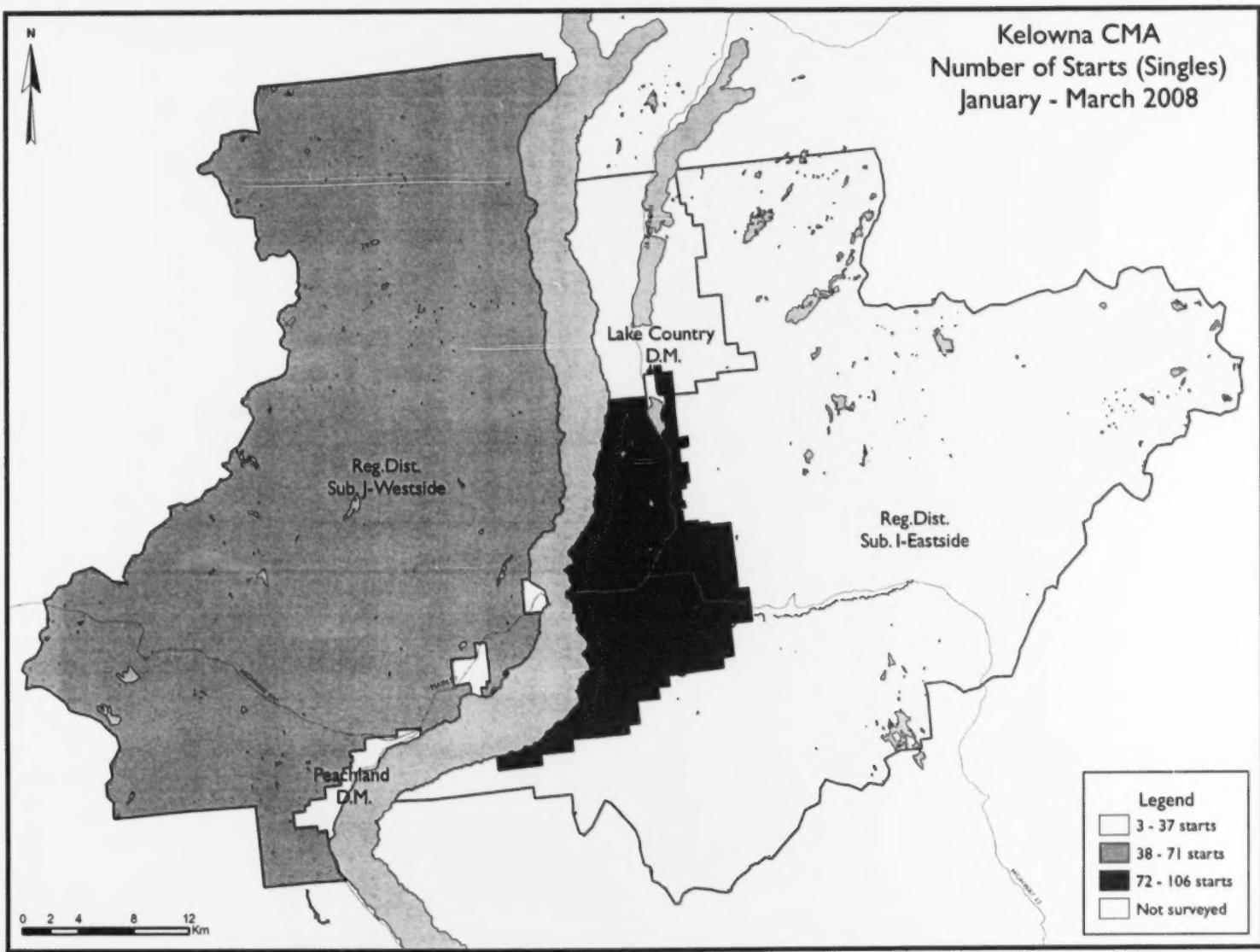
among younger Kelowna area buyers, representing a significant shift in buyer attitudes. Price relative to the cost of detached housing is the motivating factor. Retirees, move-down buyers and others seeking resort housing or second residences are, like the new home market, key sources of condominium demand. In addition, sustained low vacancy rates, rising rents and low cost of financing have led to more interest from investors.

Kelowna has continued to experience upward pressure on prices in 2008. The average first quarter sale price of detached units, townhouses and apartment condominiums have all recorded double-digit year-over-year increases, despite increased supply and more intense price competition. Expect the pace of price growth to begin slowing as the market adjusts to rising supply and reduced demand.

Fewer sales, rising supply and prospect of more moderate price gains indicate Kelowna's resale market is moving into balanced market territory from a seller's market position.

Figure 2





HOUSING NOW REPORT TABLES

Available in ALL reports:

- 1 Housing Activity Summary of CMA
- 2 Starts by Submarket and by Dwelling Type – Current Month or Quarter
- 2.1 Starts by Submarket and by Dwelling Type – Year-to-Date
- 3 Completions by Submarket and by Dwelling Type – Current Month or Quarter
- 3.1 Completions by Submarket and by Dwelling Type – Year-to-Date
- 4 Absorbed Single-Detached Units by Price Range
- 5 MLS® Residential Activity
- 6 Economic Indicators

Available in SELECTED Reports:

- 1.1 Housing Activity Summary by Submarket
- 1.2 History of Housing Activity (once a year)
- 2.2 Starts by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
- 2.3 Starts by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
- 2.4 Starts by Submarket and by Intended Market – Current Month or Quarter
- 2.5 Starts by Submarket and by Intended Market – Year-to-Date
- 3.2 Completions by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
- 3.3 Completions by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
- 3.4 Completions by Submarket and by Intended Market – Current Month or Quarter
- 3.5 Completions by Submarket and by Intended Market – Year-to-Date
- 4.1 Average Price (\$) of Absorbed Single-Detached Units

SYMBOLS

n/a Not applicable

* Totals may not add up due to co-operatives and unknown market types

** Percent change > 200%

- Nil

— Amount too small to be expressed

SA Monthly figures are adjusted to remove normal seasonal variation

Table I: Housing Activity Summary of Kelowna CMA
March 2008

	Ownership						Rental		Total*
	Freehold			Condominium			Single, Semi, and Row	Apt. & Other	
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	n/a	n/a	
STARTS									
March 2008	79	0	0	2	70	96	3	0	250
March 2007	90	0	0	2	14	29	6	0	141
% Change	-12.2	n/a	n/a	0.0	**	**	-50.0	n/a	77.3
Year-to-date 2008	201	0	0	7	141	627	9	0	985
Year-to-date 2007	206	0	0	7	74	121	13	0	421
% Change	-2.4	n/a	n/a	0.0	90.5	**	-30.8	n/a	134.0
UNDER CONSTRUCTION									
March 2008	836	0	0	35	496	2,980	33	30	4,410
March 2007	764	0	0	28	431	1,871	43	25	3,162
% Change	9.4	n/a	n/a	25.0	15.1	59.3	-23.3	20.0	39.5
COMPLETIONS									
March 2008	53	0	0	5	14	0	1	0	73
March 2007	59	0	0	0	8	0	8	0	75
% Change	-10.2	n/a	n/a	n/a	75.0	n/a	-87.5	n/a	-2.7
Year-to-date 2008	197	0	0	11	82	152	6	0	448
Year-to-date 2007	171	0	0	3	44	109	15	0	342
% Change	15.2	n/a	n/a	**	86.4	39.4	-60.0	n/a	31.0
COMPLETED & NOT ABSORBED									
March 2008	66	1	0	1	11	10	0	0	89
March 2007	62	3	0	2	14	40	0	0	121
% Change	6.5	-66.7	n/a	-50.0	-21.4	-75.0	n/a	n/a	-26.4
ABSORBED									
March 2008	54	2	0	6	11	1	1	0	75
March 2007	68	0	0	0	5	9	8	0	90
% Change	-20.6	n/a	n/a	n/a	120.0	-88.9	-87.5	n/a	-16.7
Year-to-date 2008	198	2	0	12	81	146	6	0	445
Year-to-date 2007	174	5	0	2	42	46	15	1	285
% Change	13.8	-60.0	n/a	**	92.9	**	-60.0	-100.0	56.1

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table I.1: Housing Activity Summary by Submarket
March 2008

	Ownership						Rental		Total*	
	Freehold			Condominium			Single, Semi, and Row	Apt. & Other		
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other				
STARTS										
Kelowna City										
March 2008	35	0	0	0	15	96	3	0	149	
March 2007	43	0	0	0	2	29	6	0	80	
Lake Country D.M.										
March 2008	12	0	0	0	21	0	0	0	33	
March 2007	9	0	0	1	0	0	0	0	10	
Peachland D.M.										
March 2008	0	0	0	0	20	0	0	0	20	
March 2007	1	0	0	0	0	0	0	0	1	
Reg. Dist. Sub. J - Westside										
March 2008	31	0	0	2	8	0	0	0	41	
March 2007	36	0	0	0	12	0	0	0	48	
Reg. Dist. Sub. I - Eastside										
March 2008	1	0	0	0	6	0	0	0	7	
March 2007	1	0	0	1	0	0	0	0	2	
Kelowna CMA										
March 2008	79	0	0	2	70	96	3	0	250	
March 2007	90	0	0	2	14	29	6	0	141	
UNDER CONSTRUCTION										
Kelowna City										
March 2008	422	0	0	10	300	2,230	29	30	3,021	
March 2007	416	0	0	9	266	1,458	33	0	2,182	
Lake Country D.M.										
March 2008	115	0	0	3	65	174	0	0	357	
March 2007	94	0	0	5	38	232	1	25	395	
Peachland D.M.										
March 2008	24	0	0	0	48	7	0	0	79	
March 2007	11	0	0	0	56	39	0	0	106	
Reg. Dist. Sub. J - Westside										
March 2008	254	0	0	22	67	569	3	0	915	
March 2007	238	0	0	10	51	142	8	0	449	
Reg. Dist. Sub. I - Eastside										
March 2008	21	0	0	0	16	0	1	0	38	
March 2007	5	0	0	4	20	0	1	0	30	
Kelowna CMA										
March 2008	836	0	0	35	496	2,980	33	30	4,410	
March 2007	764	0	0	28	431	1,871	43	25	3,162	

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table I.1: Housing Activity Summary by Submarket
March 2008

	Ownership						Rental		Total*
	Freehold			Condominium			Single, Semi, and Row	Apt. & Other	
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other			
COMPLETIONS									
Kelowna City									
March 2008	38	0	0	0	10	0	0	0	48
March 2007	40	0	0	0	6	0	7	0	53
Lake Country D.M.									
March 2008	2	0	0	0	0	0	0	0	2
March 2007	2	0	0	0	0	0	0	0	2
Peachland D.M.									
March 2008	0	0	0	0	0	0	0	0	0
March 2007	0	0	0	0	0	0	0	0	0
Reg. Dist. Sub. J - Westside									
March 2008	12	0	0	3	0	0	0	0	15
March 2007	9	0	0	0	0	0	1	0	10
Reg. Dist. Sub. I - Eastside									
March 2008	1	0	0	2	4	0	1	0	8
March 2007	8	0	0	0	2	0	0	0	10
Kelowna CMA									
March 2008	53	0	0	5	14	0	1	0	73
March 2007	59	0	0	0	8	0	8	0	75
COMPLETED & NOT ABSORBED									
Kelowna City									
March 2008	46	1	0	0	5	1	0	0	53
March 2007	42	1	0	1	11	36	0	0	91
Lake Country D.M.									
March 2008	3	0	0	0	0	9	0	0	12
March 2007	5	0	0	0	0	0	0	0	5
Peachland D.M.									
March 2008	0	0	0	0	1	0	0	0	1
March 2007	0	0	0	0	3	0	0	0	3
Reg. Dist. Sub. J - Westside									
March 2008	17	0	0	1	2	0	0	0	20
March 2007	15	0	0	1	0	4	0	0	20
Reg. Dist. Sub. I - Eastside									
March 2008	0	0	0	0	3	0	0	0	3
March 2007	0	2	0	0	0	0	0	0	2
Kelowna CMA									
March 2008	66	1	0	1	11	10	0	0	89
March 2007	62	3	0	2	14	40	0	0	121

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Kelowna CMA
1998 - 2007

	Ownership						Rental		Total*	
	Freehold			Condominium						
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other		
2007	1,043	0	0	42	333	1,312	45	30	2,805	
% Change	1.7	n/a	n/a	27.3	-23.1	15.9	-33.8	n/a	4.2	
2006	1,026	0	0	33	433	1,132	68	0	2,692	
% Change	-10.5	-100.0	n/a	**	63.4	0.7	15.3	-100.0	-2.3	
2005	1,147	44	0	8	265	1,124	59	108	2,755	
% Change	-10.3	-66.7	-100.0	n/a	61.6	143.8	-25.3	5.9	23.9	
2004	1,279	132	7	0	164	461	79	102	2,224	
% Change	1.1	40.4	0.0	n/a	**	-30.6	163.3	88.9	4.1	
2003	1,265	94	7	0	23	664	30	54	2,137	
% Change	32.9	9.3	**	n/a	-60.3	78.5	-50.0	-10.0	34.3	
2002	952	86	2	0	58	372	60	60	1,591	
% Change	54.0	65.4	-90.5	n/a	n/a	100.0	-24.1	-59.2	44.2	
2001	618	52	21	0	0	186	79	147	1,103	
% Change	3.3	-27.8	n/a	n/a	-100.0	**	71.7	28.9	18.9	
2000	598	72	0	0	14	40	46	114	928	
% Change	-11.1	80.0	-100.0	n/a	-65.0	81.8	100.0	54.1	5.5	
1999	673	40	6	0	40	22	23	74	880	
% Change	-10.3	-55.6	n/a	-100.0	**	n/a	**	n/a	3.4	
1998	750	90	0	1	9	0	1	0	851	

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type
March 2008

Submarket	Single		Semi		Row		Apt. & Other		Total		
	March 2008	March 2007	March 2008	March 2007	March 2008	March 2007	March 2008	March 2007	March 2008	March 2007	% Change
Black Mountain	9	13	0	0	5	0	0	0	14	13	7.7
Dilworth Mountain	1	2	2	0	0	0	0	0	3	2	50.0
Ellison/Joe Rich	1	2	6	0	0	0	0	0	7	2	**
Glenrosa	0	0	0	0	0	0	0	0	0	0	n/a
Glenmore	2	2	0	0	0	0	0	0	2	2	0.0
Kelowna Core Area	0	4	0	0	0	0	56	0	56	4	**
Lake Country	0	10	0	0	19	0	0	0	19	10	90.0
Lakeview Heights	4	9	0	0	4	0	0	0	8	9	-11.1
Lower Mission	0	1	0	0	0	0	0	0	0	1	-100.0
North Glenmore	15	6	0	2	0	0	0	0	15	8	87.5
Peachland	0	1	0	0	20	0	0	0	20	1	**
Rutland	2	6	0	0	4	0	40	29	46	35	31.4
Southeast Kelowna	0	2	0	0	0	0	0	0	0	2	-100.0
Shannon Lake	14	10	0	0	0	4	0	0	14	14	0.0
Upper Mission	9	13	0	0	4	0	0	0	13	13	0.0
Westbank	4	6	0	0	4	8	0	0	8	14	-42.9
West Kelowna	11	10	0	0	0	0	0	0	11	10	10.0
Westside	0	0	0	0	0	0	0	0	0	0	n/a
Kelowna CMA	84	98	10	2	40	12	96	29	250	141	77.3

Table 2.1: Starts by Submarket and by Dwelling Type
January - March 2008

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	% Change
Black Mountain	21	22	0	0	16	0	0	0	37	22	68.2
Dilworth Mountain	5	7	4	0	0	0	0	0	9	7	28.6
Ellison/Joe Rich	3	2	8	2	0	0	0	0	11	4	175.0
Glenrosa	0	0	0	0	0	0	0	0	0	0	n/a
Glenmore	7	2	0	0	0	0	0	0	7	2	**
Kelowna Core Area	3	10	4	0	0	0	535	0	542	10	**
Lake Country	6	31	4	0	19	38	0	0	29	69	-58.0
Lakeview Heights	7	12	8	0	4	0	0	0	19	12	58.3
Lower Mission	0	5	0	0	0	0	0	0	0	5	-100.0
North Glenmore	29	15	0	2	12	0	0	36	41	53	-22.6
Peachland	4	1	0	8	20	0	0	0	24	9	166.7
Rutland	4	7	0	0	4	0	92	29	100	36	177.8
Southeast Kelowna	2	4	0	0	0	0	0	0	2	4	-50.0
Shannon Lake	26	20	0	4	0	4	0	0	26	28	-7.1
Upper Mission	35	44	0	0	32	0	0	0	67	44	52.3
Westbank	9	27	0	2	4	12	0	56	13	97	-86.6
West Kelowna	19	13	0	2	0	0	0	0	19	15	26.7
Westside	9	0	0	0	0	0	0	0	9	0	n/a
Kelowna CMA	217	226	30	20	111	54	627	121	985	421	134.0

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type
March 2008

Submarket	Single		Semi		Row		Apt. & Other		Total		
	March 2008	March 2007	March 2008	March 2007	March 2008	March 2007	March 2008	March 2007	March 2008	March 2007	% Change
Black Mountain	2	3	0	0	0	0	0	0	2	3	-33.3
Dilworth Mountain	1	1	0	0	0	0	0	0	1	1	0.0
Ellison/Joe Rich	4	8	4	2	0	0	0	0	8	10	-20.0
Glenrosa	0	0	0	0	0	0	0	0	0	0	n/a
Glenmore	1	2	0	0	0	0	0	0	1	2	-50.0
Kelowna Core Area	0	7	0	0	0	0	0	0	0	7	-100.0
Lake Country	2	2	0	0	0	0	0	0	2	2	0.0
Lakeview Heights	3	7	0	0	0	0	0	0	3	7	-57.1
Lower Mission	3	1	0	0	0	0	0	0	3	1	200.0
North Glenmore	7	16	6	2	4	0	0	0	17	18	-5.6
Peachland	0	0	0	0	0	0	0	0	0	0	n/a
Rutland	3	4	0	4	0	0	0	0	3	8	-62.5
Southeast Kelowna	0	1	0	0	0	0	0	0	0	1	-100.0
Shannon Lake	1	0	0	0	0	0	0	0	1	0	n/a
Upper Mission	21	11	0	0	0	0	0	0	21	11	90.9
Westbank	7	0	0	0	0	0	0	0	7	0	n/a
West Kelowna	4	3	0	0	0	0	0	0	4	3	33.3
Westside	0	0	0	0	0	0	0	0	0	0	n/a
Kelowna CMA	59	67	10	8	4	0	0	0	73	75	-2.7

Table 3.1: Completions by Submarket and by Dwelling Type
January - March 2008

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	% Change
Black Mountain	16	16	0	0	0	0	0	0	16	16	0.0
Dilworth Mountain	7	5	0	4	0	0	0	0	7	9	-22.2
Ellison/Joe Rich	4	14	4	4	0	0	0	0	8	18	-55.6
Glenrosa	0	1	0	0	0	0	0	0	0	1	-100.0
Glenmore	2	2	0	0	0	0	0	0	2	2	0.0
Kelowna Core Area	2	14	0	0	0	0	0	0	2	14	-85.7
Lake Country	16	9	0	0	0	0	82	0	98	9	**
Lakeview Heights	13	15	0	0	0	0	36	0	49	15	**
Lower Mission	6	7	0	0	0	3	0	0	6	10	-40.0
North Glenmore	13	32	6	6	32	8	0	0	51	46	10.9
Peachland	4	3	2	0	20	0	0	0	26	3	**
Rutland	7	5	6	4	0	15	34	67	47	91	-48.4
Southeast Kelowna	0	5	0	0	0	0	0	0	0	5	-100.0
Shannon Lake	11	6	0	0	0	0	0	42	11	48	-77.1
Upper Mission	43	40	8	0	0	0	0	0	51	40	27.5
Westbank	16	5	4	0	0	0	0	0	20	5	**
West Kelowna	20	8	0	0	0	0	0	0	20	8	150.0
Westside	34	0	0	0	0	0	0	0	34	0	n/a
Kelowna CMA	214	189	30	18	52	26	152	109	448	342	31.0

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range

March 2008

Submarket	Price Ranges										Total	Median Price (\$)	Average Price (\$)			
	< \$400,000		\$400,000 - \$499,999		\$500,000 - \$599,999		\$600,000 - \$749,999		\$750,000 +							
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)						
Black Mountain																
March 2008	0	0.0	2	40.0	2	40.0	1	20.0	0	0.0	5	--	--			
March 2007	0	0.0	2	40.0	3	60.0	0	0.0	0	0.0	5	--	--			
Year-to-date 2008	0	0.0	4	19.0	13	61.9	4	19.0	0	0.0	21	539,000	552,938			
Year-to-date 2007	0	0.0	8	53.3	7	46.7	0	0.0	0	0.0	15	485,000	506,084			
Dilworth Mountain																
March 2008	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--			
March 2007	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--			
Year-to-date 2008	0	0.0	0	0.0	2	28.6	4	57.1	1	14.3	7	--	--			
Year-to-date 2007	0	0.0	0	0.0	0	0.0	4	100.0	0	0.0	4	--	--			
Ellison/Joe Rich																
March 2008	1	25.0	0	0.0	1	25.0	1	25.0	1	25.0	4	--	--			
March 2007	0	0.0	4	50.0	0	0.0	2	25.0	2	25.0	8	--	--			
Year-to-date 2008	1	25.0	0	0.0	1	25.0	1	25.0	1	25.0	4	--	--			
Year-to-date 2007	0	0.0	9	64.3	0	0.0	2	14.3	3	21.4	14	494,900	633,936			
Glenrosa																
March 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
March 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
Year-to-date 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
Year-to-date 2007	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	--	--			
Glenmore																
March 2008	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--			
March 2007	1	50.0	0	0.0	1	50.0	0	0.0	0	0.0	2	--	--			
Year-to-date 2008	0	0.0	0	0.0	0	0.0	2	100.0	0	0.0	2	--	--			
Year-to-date 2007	1	50.0	0	0.0	1	50.0	0	0.0	0	0.0	2	--	--			
Kelowna Core Area																
March 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
March 2007	3	42.9	1	14.3	3	42.9	0	0.0	0	0.0	7	--	--			
Year-to-date 2008	2	66.7	1	33.3	0	0.0	0	0.0	0	0.0	3	--	--			
Year-to-date 2007	6	42.9	1	7.1	7	50.0	0	0.0	0	0.0	14	554,500	544,213			
Lake Country																
March 2008	0	0.0	0	0.0	1	50.0	1	50.0	0	0.0	2	--	--			
March 2007	1	20.0	0	0.0	2	40.0	2	40.0	0	0.0	5	--	--			
Year-to-date 2008	9	56.3	1	6.3	3	18.8	2	12.5	1	6.3	16	399,900	472,531			
Year-to-date 2007	4	40.0	1	10.0	3	30.0	2	20.0	0	0.0	10	552,450	524,575			
Lakeview Heights																
March 2008	0	0.0	0	0.0	0	0.0	1	33.3	2	66.7	3	--	--			
March 2007	1	16.7	0	0.0	2	33.3	1	16.7	2	33.3	6	--	--			
Year-to-date 2008	0	0.0	1	7.7	1	7.7	3	23.1	8	61.5	13	799,900	1,289,792			
Year-to-date 2007	1	6.7	0	0.0	4	26.7	4	26.7	6	40.0	15	664,900	933,564			
Lower Mission																
March 2008	0	0.0	0	0.0	1	33.3	2	66.7	0	0.0	3	--	--			
March 2007	0	0.0	1	50.0	1	50.0	0	0.0	0	0.0	2	--	--			
Year-to-date 2008	0	0.0	0	0.0	1	16.7	4	66.7	1	16.7	6	--	--			
Year-to-date 2007	0	0.0	2	28.6	1	14.3	0	0.0	4	57.1	7	--	--			

Source: CMHC (Market Absorption Survey)

Table 4: Absorbed Single-Detached Units by Price Range

March 2008

Submarket	Price Ranges										Total	Median Price (\$)	Average Price (\$)			
	< \$400,000		\$400,000 - \$499,999		\$500,000 - \$599,999		\$600,000 - \$749,999		\$750,000 +							
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)						
North Glenmore																
March 2008	0	0.0	0	0.0	2	28.6	3	42.9	2	28.6	7	--	--			
March 2007	5	31.3	3	18.8	5	31.3	2	12.5	1	6.3	16	569,900	544,800			
Year-to-date 2008	0	0.0	0	0.0	3	23.1	8	61.5	2	15.4	13	629,900	660,546			
Year-to-date 2007	8	25.0	4	12.5	14	43.8	5	15.6	1	3.1	32	539,000	528,645			
Peachland																
March 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
March 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
Year-to-date 2008	1	25.0	0	0.0	2	50.0	1	25.0	0	0.0	4	--	--			
Year-to-date 2007	1	33.3	1	33.3	1	33.3	0	0.0	0	0.0	3	--	--			
Rutland																
March 2008	0	0.0	3	100.0	0	0.0	0	0.0	0	0.0	3	--	--			
March 2007	4	100.0	0	0.0	0	0.0	0	0.0	0	0.0	4	--	--			
Year-to-date 2008	2	25.0	6	75.0	0	0.0	0	0.0	0	0.0	8	--	--			
Year-to-date 2007	5	100.0	0	0.0	0	0.0	0	0.0	0	0.0	5	--	--			
Southeast Kelowna																
March 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
March 2007	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	--	--			
Year-to-date 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
Year-to-date 2007	0	0.0	0	0.0	1	20.0	3	60.0	1	20.0	5	--	--			
Shannon Lake																
March 2008	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	--	--			
March 2007	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	1	--	--			
Year-to-date 2008	2	22.2	2	22.2	3	33.3	1	11.1	1	11.1	9	--	--			
Year-to-date 2007	0	0.0	6	100.0	0	0.0	0	0.0	0	0.0	6	--	--			
Upper Mission																
March 2008	0	0.0	0	0.0	4	21.1	9	47.4	6	31.6	19	685,000	704,116			
March 2007	2	15.4	1	7.7	5	38.5	4	30.8	1	7.7	13	549,900	577,554			
Year-to-date 2008	0	0.0	1	2.8	11	30.6	14	38.9	10	27.8	36	668,250	739,236			
Year-to-date 2007	2	4.9	6	14.6	15	36.6	11	26.8	7	17.1	41	549,999	621,408			
Westbank																
March 2008	0	0.0	4	50.0	3	37.5	1	12.5	0	0.0	8	--	--			
March 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
Year-to-date 2008	0	0.0	13	72.2	3	16.7	1	5.6	1	5.6	18	469,900	664,111			
Year-to-date 2007	2	50.0	1	25.0	0	0.0	0	0.0	1	25.0	4	--	--			
West Kelowna																
March 2008	0	0.0	2	50.0	2	50.0	0	0.0	0	0.0	4	--	--			
March 2007	0	0.0	3	75.0	1	25.0	0	0.0	0	0.0	4	--	--			
Year-to-date 2008	0	0.0	12	57.1	8	38.1	1	4.8	0	0.0	21	479,900	496,393			
Year-to-date 2007	1	10.0	8	80.0	1	10.0	0	0.0	0	0.0	10	452,500	451,020			
Westside																
March 2008	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
March 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
Year-to-date 2008	21	60.0	10	28.6	0	0.0	0	0.0	4	11.4	35	399,900	476,734			
Year-to-date 2007	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	--	--			
Kelowna CMA																
March 2008	1	1.6	11	18.0	16	26.2	22	36.1	11	18.0	61	619,450	653,385			
March 2007	17	22.4	17	22.4	24	31.6	12	15.8	6	7.9	76	536,900	571,631			
Year-to-date 2008	38	17.6	51	23.6	51	23.6	46	21.3	30	13.9	216	543,500	645,001			
Year-to-date 2007	32	16.8	48	25.1	56	29.3	32	16.8	23	12.0	191	539,900	605,775			

Table 4.1: Average Price (\$) of Absorbed Single-detached Units
March 2008

Submarket	March 2008	March 2007	% Change	YTD 2008	YTD 2007	% Change
Black Mountain	--	--	n/a	552,938	506,084	9.3
Dilworth Mountain	--	--	n/a	--	--	n/a
Ellison/Joe Rich	--	--	n/a	--	633,936	n/a
Glenrosa	--	--	n/a	--	--	n/a
Glenmore	--	--	n/a	--	--	n/a
Kelowna Core Area	--	--	n/a	--	--	n/a
Lake Country	--	--	n/a	472,531	--	n/a
Lakeview Heights	--	--	n/a	1,289,792	933,564	38.2
Lower Mission	--	--	n/a	--	--	n/a
North Glenmore	--	544,800	n/a	660,546	528,645	25.0
Peachland	--	--	n/a	--	--	n/a
Rutland	--	--	n/a	--	--	n/a
Southeast Kelowna	--	--	n/a	--	--	n/a
Shannon Lake	--	--	n/a	--	--	n/a
Upper Mission	704,116	577,554	21.9	739,236	621,408	19.0
Westbank	--	--	n/a	664,111	--	n/a
West Kelowna	--	--	n/a	496,393	451,020	10.1
Westside	--	--	n/a	476,734	--	n/a
Kelowna CMA	653,385	571,631	14.3	645,001	605,775	6.5

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity for Kelowna
March 2008

	Single Detached				Townhouse				Apartment Condo			
	Number of Sales	Number of Active Listings	Sales-to-Active Listings Ratio	Average Price (\$)	Number of Sales	Number of Active Listings	Sales-to-Active Listings Ratio	Average Price (\$)	Number of Sales	Number of Active Listings	Sales-to-Active Listings Ratio	Average Price (\$)
2007	January	185	1,000	19	436,216	28	119	24	314,779	68	409	17 232,675
	February	228	1,004	23	508,553	31	122	25	282,289	94	417	23 232,083
	March	333	1,152	29	457,089	55	118	47	295,280	126	441	29 257,341
	April											
	May											
	June											
	July											
	August											
	September											
	October											
	November											
	December											
2008	January	162	1,250	13	491,330	24	182	13	315,602	61	651	9 299,067
	February	191	1,370	14	501,822	42	176	24	331,607	83	714	12 279,527
	March	237	1,476	16	564,237	28	192	15	355,929	115	855	13 277,978
	April											
	May											
	June											
	July											
	August											
	September											
	October											
	November											
	December											
	YTD 2007	747	1,052	23	468,555	114	120	32	296,536	288	422	23 243,273
	YTD 2008	593	1,365	14	536,740	95	183	17	339,000	259	740	11 283,441
	% Change	-21	30	-39	15	-17	53	-47	14	-10	75	-52 17

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).

Note: Based on boundaries of the OMREB. Townhouse and apartment data does not include Big White.

Source: Okanagan Mainline Real Estate Board (OMREB)

Table 6: Economic Indicators

March 2008

		Interest Rates		NHPI, Total, 1997=100 (B.C.)	CPI, 2002 =100 (B.C.)	Kelowna Labour Market				Average Weekly Earnings (\$)			
		Mortgage Rates (%)				Employment SA (.000)	Unemployment Rate (%) SA	Participation Rate (%) SA					
		P & I Per \$100,000	I Yr. Term										
2007	January	679	6.50	6.65	116.3	109.0	90.7	5.3	65.5	741			
	February	679	6.50	6.65	116.3	109.1	91.6	4.8	65.4	742			
	March	669	6.40	6.49	117.5	109.5	91.3	4.3	64.5	743			
	April	678	6.60	6.64	118.2	109.9	91.3	2.6	63.6	745			
	May	709	6.85	7.14	120.9	110.5	88.6	3.8	62.0	744			
	June	715	7.05	7.24	121.8	110.3	87.2	4.8	61.8	743			
	July	715	7.05	7.24	122.0	110.5	85.6	6.0	60.7	742			
	August	715	7.05	7.24	122.1	110.4	82.8	4.7	59.7	747			
	September	712	7.05	7.19	122.1	110.5	84.6	4.0	58.2	752			
	October	728	7.25	7.44	122.8	110.0	86.3	3.9	60.1	753			
	November	725	7.20	7.39	123.1	110.1	88.8	5.1	62.5	752			
	December	734	7.35	7.54	123.1	110.1	90.6	5.9	64.0	753			
2008	January	725	7.35	7.39	123.3	109.9	92.3	5.2	64.8	760			
	February	718	7.25	7.29	123.4	110.3	93.5	4.6	65.0	765			
	March	712	7.15	7.19		110.8	95.2	4.5	65.8	766			
	April												
	May												
	June												
	July												
	August												
	September												
	October												
	November												
	December												

"P & I" means Principal and Interest (assumes \$100,000 mortgage amortized over 25 years using current 5 year interest rate)

"NHPI" means New Housing Price Index

"CPI" means Consumer Price Index

"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "dwelling unit", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "start", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "under construction" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "completion", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "absorbed" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A **"Single-Detached"** dwelling (also referred to as **"Single"**) is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A **"Semi-Detached (Double)"** dwelling (also referred to as **"Semi"**) is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A **"Row (Townhouse)"** dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term **"Apartment and other"** includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The **"intended market"** is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A **"Rural"** area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2001 Census area definitions.

CMHC—HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for more than 60 years.

Together with other housing stakeholders, we help ensure that the Canadian housing system remains one of the best in the world. We are committed to helping Canadians access a wide choice of quality, environmentally sustainable and affordable homes – homes that will continue to create vibrant and healthy communities and cities across the country.

For more information, visit our website at www.cmhc.ca

You can also reach us by phone at 1-800-668-2642 or by fax at 1-800-245-9274.
Outside Canada call 613-748-2003 or fax to 613-748-2016.

Canada Mortgage and Housing Corporation supports the Government of Canada policy on access to information for people with disabilities. If you wish to obtain this publication in alternative formats, call 1-800-668-2642.

The Market Analysis Centre's (MAC) electronic suite of national standardized products is now available for free on CMHC's website. You can now view, print, download or subscribe to future editions and get market information e-mailed automatically to you the same day it is released. It's quick and convenient! Go to www.cmhc.ca/housingmarketinformation

For more information on MAC and the wealth of housing market information available to you, visit us today at www.cmhc.ca/housingmarketinformation

To subscribe to priced, printed editions of MAC publications, call 1 800 668-2642.

©2008 Canada Mortgage and Housing Corporation. All rights reserved. CMHC grants reasonable rights of use of this publication's content solely for personal, corporate or public policy research, and educational purposes. This permission consists of the right to use the content for general reference purposes in written analyses and in the reporting of results, conclusions, and forecasts including the citation of limited amounts of supporting data extracted from this publication. Reasonable and limited rights of use are also permitted in commercial publications subject to the above criteria, and CMHC's right to request that such use be discontinued for any reason.

Any use of the publication's content must include the source of the information, including statistical data, acknowledged as follows:

Source: CMHC (or "Adapted from CMHC," if appropriate), name of product, year and date of publication issue.

Other than as outlined above, the content of the publication cannot be reproduced or transmitted to any person or, if acquired by an organization, to users outside the organization. Placing the publication, in whole or part, on a website accessible to the public or on any website accessible to persons not directly employed by the organization is not permitted. To use the content of any CMHC Market Analysis publication for any purpose other than the general reference purposes set out above or to request permission to reproduce large portions of, or entire CMHC Market Analysis publications, please contact: the Canadian Housing Information Centre (CHIC) at <mailto:chic@cmhc.gc.ca>; (613) 748-2367 or 1 800 668-2642.

For permission, please provide CHIC with the following information:

Publication's name, year and date of issue.

Without limiting the generality of the foregoing, no portion of the content may be translated from English or French into any other language without the prior written permission of Canada Mortgage and Housing Corporation.

The information, analyses and opinions contained in this publication are based on various sources believed to be reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibility.



STAY ON TOP OF THE HOUSING MARKET

Enhance your decision-making with the latest information on Canadian housing trends and opportunities.

CMHC's Market Analysis Centre e-reports provide a wealth of detailed local, provincial, regional and national market information.

- **Forecasts and Analysis** – Future-oriented information about local, regional and national housing trends.
- **Statistics and Data** – Information on current housing market activities — starts, rents, vacancy rates and much more.

Free reports available on-line:

- Canadian Housing Statistics
- Housing Information Monthly
- Housing Market Outlook, Canada
- Housing Market Outlook, Highlight Reports - Canada and Regional
- Housing Market Outlook, Major Centres
- Housing Now, Canada
- Housing Now, Major Centres
- Housing Now, Regional
- Monthly Housing Statistics
- Northern Housing Outlook Report
- Preliminary Housing Start Data
- Renovation and Home Purchase
- Rental Market Highlight Reports
- Rental Market Reports, Major Centres
- Rental Market Statistics

Free regional reports also available:

- B.C. Seniors' Housing Market Survey
- Ontario Retirement Homes Report
- The Retirement Home Market Study, Quebec Centres
- Housing Market Tables: Selected South Central Ontario Centres
- Residential Construction Digest, Prairie Centres
- Analysis of the Resale Market, Quebec Centres

Get the market intelligence you need today!

Click www.cmhc.ca/housingmarketinformation to view, download or subscribe.

Sign up today and receive CMHC's Multi-Unit e-Update Newsletter

Our quarterly e-newsletter provides valuable information and expertise on a variety of topics relating to multi-unit residential housing including market insight, housing research and the latest news on our multi-unit mortgage loan insurance products.